

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS**

IN RE
SONUS NETWORKS, INC. LITIGATION

Civil Action No.
04-10294-DPW (Lead Case)

THIS DOCUMENT RELATES TO ALL CASES

JOINT STATUS REPORT

Pursuant to the June 28, 2004 Order For Consolidation, Scheduling Order, and Notice Of Further Conference, the parties submit the following Joint Status Report in advance of the Status Conference scheduled for August 10, 2004 at 2:30 p.m.

I. LEAD PLAINTIFF MOTIONS

A. Class Action Securities Cases

At the June 28, 2004 Status Conference, the Court directed lead plaintiff movant BPI Global Asset Management, LLP ("BPI Global") to file affidavits and other documentation evidencing its decision-making authority regarding transactions in Sonus Networks, Inc. ("Sonus") stock. BPI Global filed these papers, which it contends evidence its decision-making authority, on July 6, 2004.

After reviewing BPI Global's filing, lead plaintiff movant The Farhat Group filed a response on July 12, 2004 stating that it believed BPI Global had complete investment discretion and, therefore, is an appropriate lead plaintiff. Movant Global Undervalued Securities Master Fund ("GUSMF") filed a response on July 13, 2004 opposing BPI Global's appointment as lead

plaintiff based on GUSMF's contention that BPI Global lacks complete investment discretion with respect to its clients' investments in Sonus.

B. Derivative Cases

1. Plaintiffs' Position

a. Plaintiff William's Position

Counsel for plaintiff Williams (*Williams v. Ahmed et al.*, consolidated derivative docket No.1-04-civ-10359 DPW (filed February 23, 2004), the first filed derivative action, proposed a Co-Lead case management structure with Schubert & Reed LLP as Co-Lead Derivative Counsel or, alternatively, that the court should appoint Federman & Sherwood as lead derivative counsel and Alan L. Kovacs as liaison counsel. Counsel for Plaintiffs Burk (originally filed as *Burk v. Ahmed et al.*, 1-04-civ-10384 DPW on February 26, 2004) and Pisnoy (originally filed as *Pisnoy v. Ahmed et al.*, 1-04-civ-10576 DPW on March 24, 2004) do not agree to either of these proposals.

b. Burk and Pisnoy Plaintiffs' Position

Two of the three consolidated derivative cases have reached agreement regarding appointment of lead derivative counsel: Counsel for Plaintiffs Burk (originally filed as *Burk v. Ahmed et al.*, 1-04-civ-10384 DPW on February 26, 2004) and Pisnoy (originally filed as *Pisnoy v. Ahmed et al.*, 1-04-civ-10576 DPW on March 24, 2004) have conferred and agreed that Schubert & Reed LLP should be appointed sole lead derivative counsel and that Gilman & Pastor LLP should be appointed liaison derivative counsel for the reasons previously set out in plaintiff Burk's moving papers. Wolf Haldenstein Adler Freeman and Herz LLP, previously proposed as co-lead counsel with Schubert & Reed LLP have been dropped from the proposal, to provide a

streamlined leadership structure. Wolf Haldenstein supports the change. Counsel for plaintiff Williams (*Williams v. Ahmed et al.*, consolidated derivative docket No.1-04-civ-10359 DPW (filed February 23, 2004)), does not agree to the proposed leadership structure.

* * *

Subsequent to the June 28, 2004 status/scheduling conference, plaintiffs in the derivative actions sent letters to defendants requesting that they preserve certain documents, including emails.

2. Defendants' Position

The defendants continue to believe that the federal derivative cases should be stayed until the Massachusetts Business Litigation Session of the Superior Court has ruled on the motion to dismiss the parallel state court derivative cases, consolidated as *Palma v. Ahmed*, No. 04-0753-BLS. The Business Litigation Session heard argument on the defendants' motion to dismiss on June 11, 2004 and has taken that motion under advisement.

II. COORDINATION OF THE CASES

To the extent discovery can be coordinated between the securities class action and the derivative actions, and in light of what are likely to be certain overlapping factual issues, the plaintiffs believe it will be efficient and advisable to coordinate discovery where possible.

Defendants believe the cases will likely progress along different tracks. The federal securities class action is subject to an automatic discovery stay imposed by the Private Securities Litigation Reform Act of 1995 in the event defendants move to dismiss the complaint. 15 U.S.C. §78u-4(b)(3)(B). No such statutory stay will apply to the derivative actions in the event defendants move to dismiss them. The Defendants further believe that discovery in the federal

derivative cases should be stayed until the Court rules on their motions to dismiss, which they believe should be heard after a ruling on their pending motion to dismiss the parallel state court derivative cases.

Dated: August 5, 2004

GOLD BENNETT CERA & SIDENER LLP

By: /s/ Solomon B. Cera
Solomon B. Cera

595 Market Street, Suite 2300
San Francisco, CA 94105
Telephone: (415) 777-2230
Facsimile: (415) 777-5189
E-mail: scera@gbcslaw.com

Attorneys for Lead Plaintiff Movant
BPI Global Asset Management LLP

Dated: August 5, 2004

SCHIFFRIN & BARROWAY, LLP

By: /s/
Darren Check

Three Bala Plaza East, Suite 400
Bala Cynwyd, PA 19004
Telephone: (610) 667-7706
Facsimile: (610) 667-7056
E-mail: dcheck@sbclasslaw.com

Attorneys for Lead Plaintiff Movant
The Farhat Plaintiff Group

Dated: August 5, 2004

BERMAN DEVALERIO PEASE TABACCO
BURT & PUCILLO

By: _____/s/_____
Michael T. Matraia

One Liberty Square, 8th Floor
Boston, MA 02109
Telephone: (617) 542-8300
Facsimile: (617) 542-1194
E-mail: mmatraia@bermanesq.com

Attorneys for Lead Plaintiff Movant
James Brower

Dated: August 5, 2004

LERACH COUGHLIN STOIA & ROBBINS, LLP

By: _____/s/_____
Travis E. Downs, III

401 B Street, Suite 1700
San Diego, CA 92101
Telephone: (619) 231-1058
Facsimile: (619) 231-7423
E-mail: travisd@lcsr.com

Attorneys for Lead Plaintiff Movant
Global Undervalued Securities Master Fund

Dated: August 5, 2004

SCHATZ & NOBEL, PC

By: _____/s/_____
Justin S. Kudler

One Corporate Center
20 Church Street, Suite 1700
Hartford, CT 06103
Telephone: (860) 493-6292
Facsimile: (860) 493-6290
E-mail: justin@snlaw.net

Attorneys for Lead Plaintiff Movant
Brad Rollow

Dated: August 5, 2004

REICH & BINSTOCK, LLP

By: _____/s/_____
Paul T. Warner

4265 San Felipe, Suite 1000
Houston, TX 77002
Telephone: (713) 622-7271
Facsimile: (713) 623-8724
E-mail: pwarner@reichandbinstock.com

Attorneys for Derivative Plaintiff Pisnoy

Dated: August 5, 2004

SCHUBERT & REED LLP

By: _____/s/_____
Juden Justice Reed

Two Embarcadero Center, Suite 1600
San Francisco, CA 94111
Telephone: (415) 788-4220
Facsimile: (415) 788-0161
E-mail: jreed@schubert-reed.com

Attorney for Derivative Plaintiff Burk

Dated: August 5, 2004

FEDERMAN & SHERWOOD

By: _____/s/_____
William B. Federman

120 N. Robinson Avenue, Suite 2720
Oklahoma City, OK 73102
Telephone: (405) 235-1560
Facsimile: (405) 239-2112
E-mail: WFederman@aol.com

Attorneys for Derivative Plaintiff Williams

Dated: August 5, 2004

EDWARDS & ANGELL, LLP

By: _____/s/_____
John D. Hughes

101 Federal Street
Boston, MA 02110
Telephone: (617) 439-4444
Facsimile: (617) 439-4170
E-mail: jhughes@EdwardsAngell.com

Attorneys for Defendants
Paul R. Jones, Edward N. Harris,
J. Michael O'Hara, Rubin Gruber

Dated: August 5, 2004

SKADDEN ARPS SLATE MEAGHER
& FLOM LLP

By: _____/s/_____
Matthew J. Matule

One Beacon Street
Boston, MA 02108
Telephone: (617) 573-4800
Facsimile: (617) 573-4822
E-mail: mmatule@skadden.com

Attorneys for Defendant Stephen Nill

Dated: August 5, 2004

CHOATE HALL & STEWART

By: _____ /s/
Robert Frank

Exchange Place
53 State Street
Boston, MA 02109
Telephone: (617) 248-5000
Facsimile: (617) 248-4000
E-mail: rfrank@choate.com

Attorneys for Defendant Hassan Ahmed

Dated: August 5, 2004

WILMER CUTLER PICKERING HALE
& DORR LLP

By: _____ /s/
Daniel W. Halston

60 State Street
Boston, MA 02109
Telephone: (617) 526-6000
Facsimile: (617) 526-5000
E-mail: daniel.halston@wilmerhale.com

Attorneys for Defendant Sonus Networks, Inc.

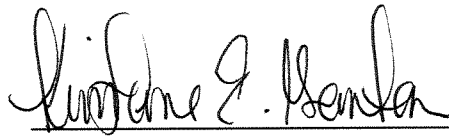
CERTIFICATE OF SERVICE

I, KimLane E. Gantan, hereby declare under penalty of perjury as follows:

I am employed by Gold Bennett Cera & Sidener LLP, 595 Market Street, Suite 2300, San Francisco, California, 94105-2835. I am over the age of eighteen years and am not a party to this action.

On August 5, 2004, a true and correct copy of the aforementioned **"JOINT STATUS REPORT"** was delivered to all counsel of record by electronic service pursuant to the Court's Order Regarding Electronic Service.

Executed on August 5, 2004, at San Francisco, California.

A handwritten signature in black ink, appearing to read "KimLane E. Gantan", written over a horizontal line.

KimLane E. Gantan